

PROPOSITION 1A
Protection of Local Government Revenues
Resolution Chapter 133, Statutes of 2004 (SCA 4)
Sponsor: Senator Tom Torlakson

Date: August 4, 2004

OFFICIAL TITLE AND SUMMARY
PREPARED BY THE ATTORNEY GENERAL

BALLOT TITLE AND SUMMARY

PROTECTION OF LOCAL GOVERNMENT REVENUES

- Protects local funding for public safety, health, libraries, parks, and other locally delivered services.
- Prohibits the State from reducing local governments' property tax proceeds
- Allows the provisions to be suspended only if the Governor declares a fiscal necessity and two-thirds of the Legislature approve the suspension. Suspended funds must be repaid within three years.
- Also requires local sales tax revenues to remain with local government and be spent for local purposes.
- Requires the State to fund legislative mandates on local governments or suspend their operation.

**Summary of Legislative Analyst's
Estimate of Net State and Local Government Fiscal Impact:**

Significant changes to state authority over local finances. Higher local government revenues than otherwise would have been the case, possibly in the billions of dollars annually over time. Any such local revenue impacts would result in decreased resources to the state of similar amounts.

SUBJECT TO COURT
ORDERED CHANGES